



June 10, 2008

Diana Mason
State of Utah
Department of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Directional Drilling R649-3-11
NBU 1022-24G3S
Surface: NESE Sec 24-T10S-R22E 2037' FSL & 1184' FEL
Bottomhole: SWNE Sec 24-T10S-R22E 2225' FNL & 2140' FEL

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore, L.P.'s Application for Permit to Drill regarding the above referenced well on June 10, 2008, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling of Wells.

- Kerr-McGee's NBU 1022-24G3S is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to access portions of our lease which are otherwise inaccessible due to topography.
- Furthermore, Kerr-McGee hereby certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee requests the permit be granted pursuant to R649-3-11.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin McIntyre'.

Kevin McIntyre
Regulatory Analyst

RECEIVED

JUN 11 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ST ML 23610	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: 891008900A	
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP				9. WELL NAME and NUMBER: NBU 1022-24G3S	
3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779				10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 638221X 4421336Y 39.932749 -109.382391 AT PROPOSED PRODUCING ZONE: SWNE 2225' FNL & 2140' FEL 637923X 4421646Y 39.935589 -109.385808				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 24 10S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 35.4 miles north of Ouray, Utah				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1184'		16. NUMBER OF ACRES IN LEASE: 200		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 20	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2500'		19. PROPOSED DEPTH: 8,032		20. BOND DESCRIPTION: RLB0005237	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4977		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION: 10 days	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8"	J-55	36#	1,500	Premium Cement	215 sx	1.18 15.6
					Premium Cement	50 sx	1.18 15.6
7 7/8"	4 1/2"	I-80	11.6#	8032'	Premium Lite II	290 sx	3.38 11.0
					50/50 Poz/G	1240 sx	1.31 14.3

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analyst I

SIGNATURE [Signature] DATE 6/10/2008

(This space for State use only)

API NUMBER ASSIGNED: 43-047-40142

Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL:

Date: 01-26-09
(See Instructions on Reverse Side)
By: [Signature]

RECEIVED

JUN 11 2008

DIV. OF OIL, GAS & MINING

T10S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

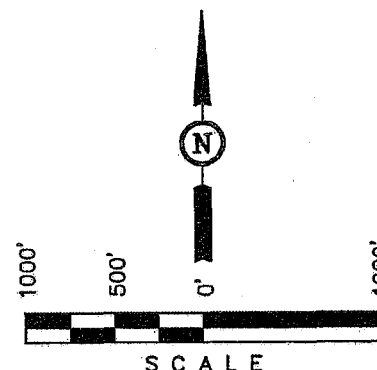
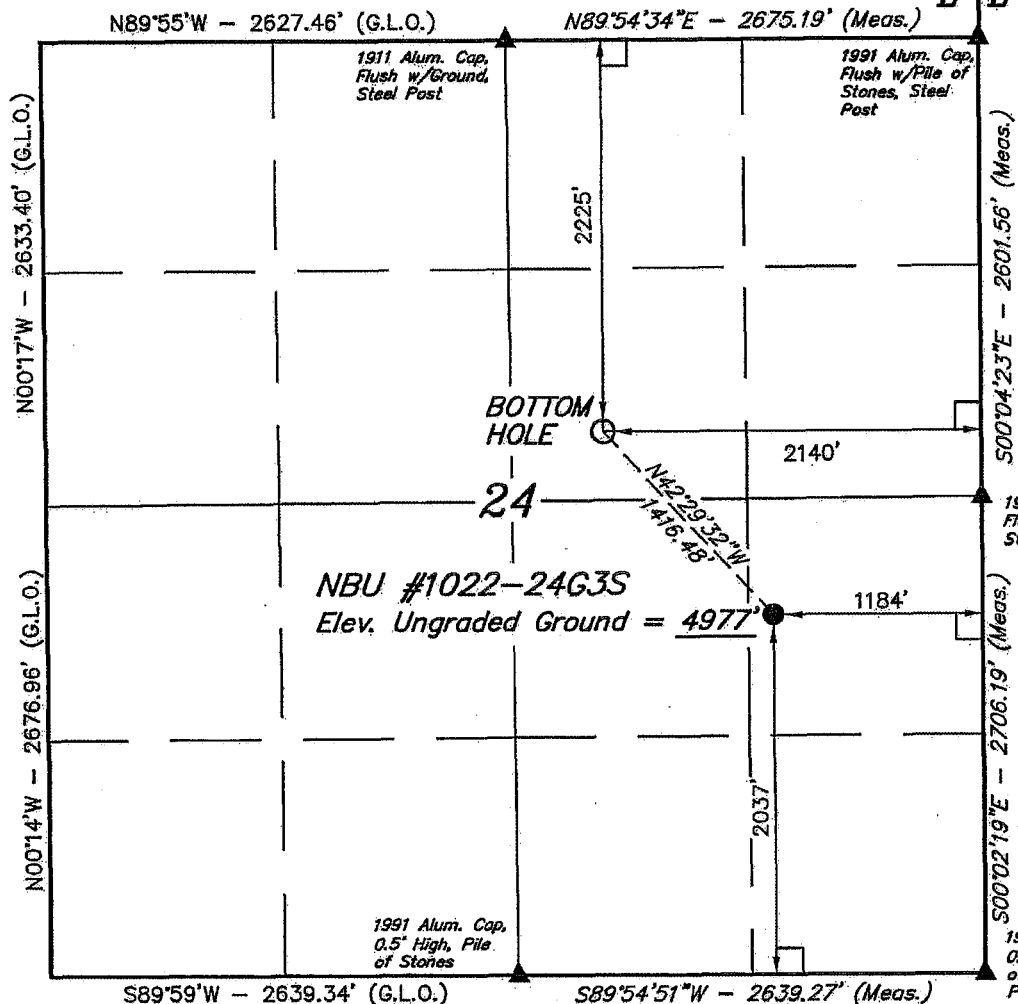
Well location, NBU #1022-24G3S, located as shown in the NE 1/4 SE 1/4 of Section 24, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 05-16-08

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

NAD 83 (SURFACE LOCATION)	NAD 83 (TARGET BOTTOM HOLE)
LATITUDE = 39°55'57.83" (39.932875)	LATITUDE = 39°56'07.96" (39.935544)
LONGITUDE = 109°22'59.21" (109.383114)	LONGITUDE = 109°23'11.48" (109.386522)
NAD 27 (SURFACE LOCATION)	NAD 27 (TARGET BOTTOM HOLE)
LATITUDE = 39°55'57.75" (39.932708)	LATITUDE = 39°56'08.08" (39.935578)
LONGITUDE = 109°22'58.78" (109.382433)	LONGITUDE = 109°23'09.03" (109.385842)

SCALE 1" = 1000'	DATE SURVEYED: 04-29-08	DATE DRAWN: 05-02-08
PARTY L.D.K. J.R. L.A.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 1022-24G3S
NESE Sec. 24, T 10S R 22E
UINTAH COUNTY, UTAH
ST ML 23610**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	498'
Top of Birds Nest Water	845'
Mahogany	1194'
Wasatch	3540'
Mesaverde	5731'
MVU2	6571'
MVL1	7175'
TVD	7700'
MD	8032'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	498'
	Top of Birds Nest Water	845'
	Mahogany	1194'
Gas	Wasatch	3540'
Gas	Mesaverde	5731'
Gas	MVU2	6571'
Gas	MVL1	7175'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 7700' TVD, approximately equals 4774 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3080 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

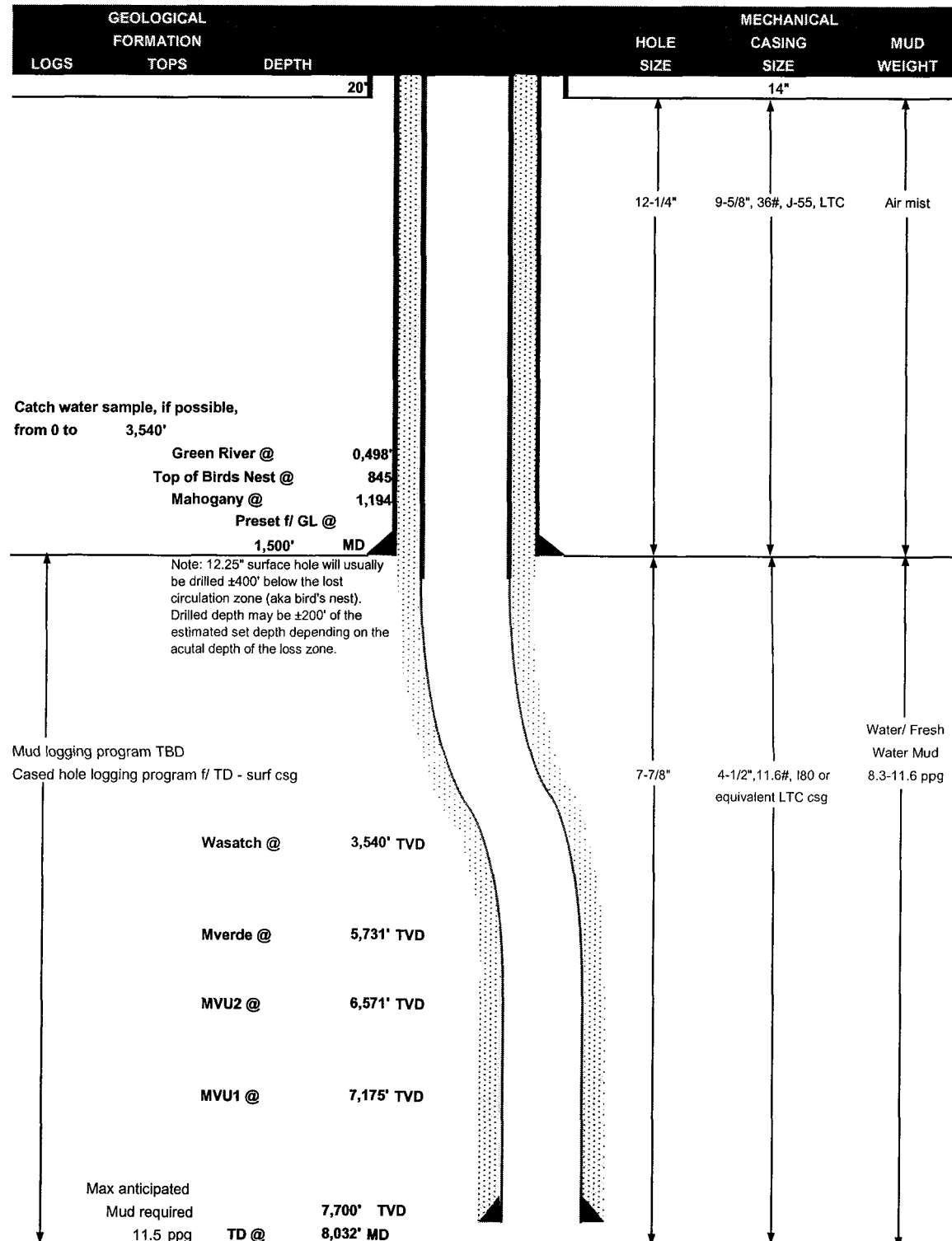
10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	June 10, 2008	
WELL NAME	NBU 1022-24G3S		TD	7,700'	TVD 8,032' MD
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah
				ELEVATION	4,977' GL KB 4,992'
SURFACE LOCATION	NESE 2037' FSL & 1184' FEL, Sec. 24, T 10S R 22E				
	Latitude: 39.932708	Longitude: -109.382433	NAD 27		
BTM HOLE LOCATION	SWNE 2225' FNL & 2140' FEL, Sec. 24, T 10S R 22E				
	Latitude: 39.935578	Longitude: -109.385842	NAD 27		
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (MINERALS AND SURFACE), BLM, Tri-County Health Dept.				



CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 1500	36.00	J-55	LTC	3520	2020	453000
						1.21	2.88	10.68
PRODUCTION	4-1/2"	0 to 7700	11.60	I-80	LTC	7780	6350	201000
						2.67	1.38	2.47

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
- MASP 3080 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized				
			65/35 Poz + 6% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOW	360	35%	12.60	1.81
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,032'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	290	40%	11.00	3.38
	TAIL	5,000'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1230	40%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

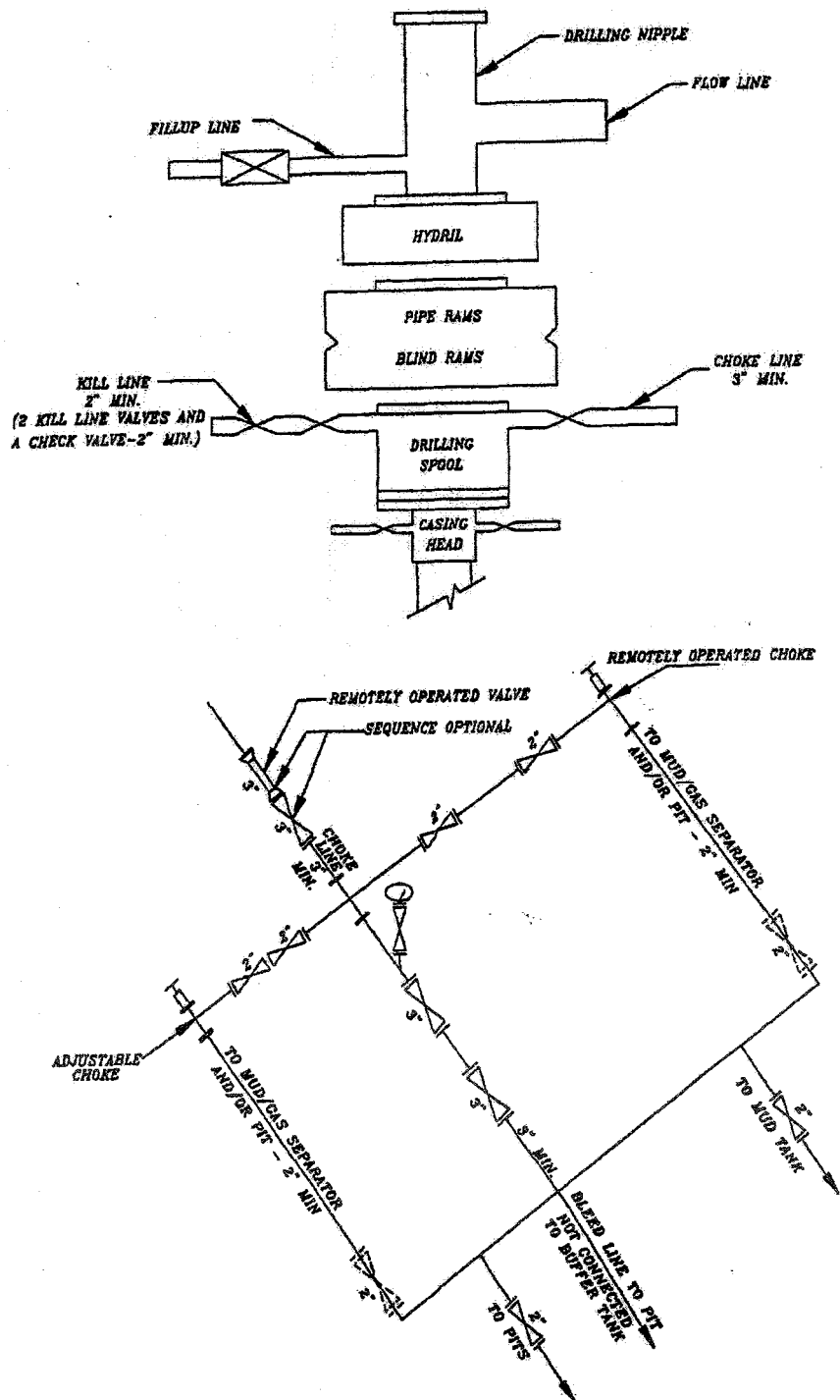
DATE: _____

DRILLING SUPERINTENDENT:

Randy Bayne

DATE: _____

EXHIBIT A



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

NBU 1022-24G3S
NESE Sec. 24, T 10S R 22E
Uintah County, UT
ST ML 23610

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Directional Drilling:**

In accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, this well will be directionally drilled in order to access portions of our lease which are otherwise inaccessible due to topography.

2. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

3. **Planned Access Roads:**

Approximately 67' +/- of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

4. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

5. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 17,450' of 10" pipeline is proposed. Refer to Topo D for the proposed pipeline.

6. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

7. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

8. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit

walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E, Pipeline Facility, Sec. 36, T9S, R20E, Goat Pasture Evaporation Pond, SW/4 Sec. 16, T10S, R22E, Bonanza Evaporation Pond, Sec. 2, T10S, R23E.

9. **Ancillary Facilities:**

None are anticipated.

10. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

11. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

12. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

13. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

14. Lessee's or Operators's Representative & Certification:

Kevin McIntyre
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
P.O. Box 173779
Denver, CO 80217-3779
(720) 929-6226

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018


Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Kevin McIntyre

6/10/2008

Date



Weatherford®

Drilling Services

Proposal



ANADARKO - KERR McGEE

NBU#1022-24G3S (1022-24I PAD)

UINTAH COUNTY, UTAH

WELL FILE: PLAN 1

JUNE 5, 2008

Weatherford International, Ltd.

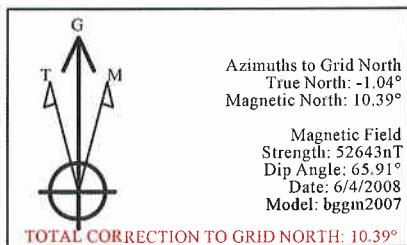
15710 John F. Kennedy Blvd

Houston, Texas 77032 USA

+1.281.260.1300 Main

+1.281.260.4730 Fax

www.weatherford.com



KB ELEV = 4994'
 GR ELEV = 4974'

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	316.49	0.00	0.00	0.00	0.00	0.00	0.00	
2	1560.00	0.00	316.49	1560.00	0.00	0.00	0.00	0.00	0.00	
3	2560.00	30.00	316.49	2514.93	185.57	-176.17	3.00	316.49	255.87	
4	4368.72	30.00	316.49	4081.33	841.43	-798.83	0.00	0.00	1160.23	
5	5368.72	0.00	316.49	5036.26	1027.00	-975.00	3.00	180.00	1416.11	
6	8032.46	0.00	316.49	7700.00	1027.00	-975.00	0.00	0.00	1416.11	PBHL-24G3S

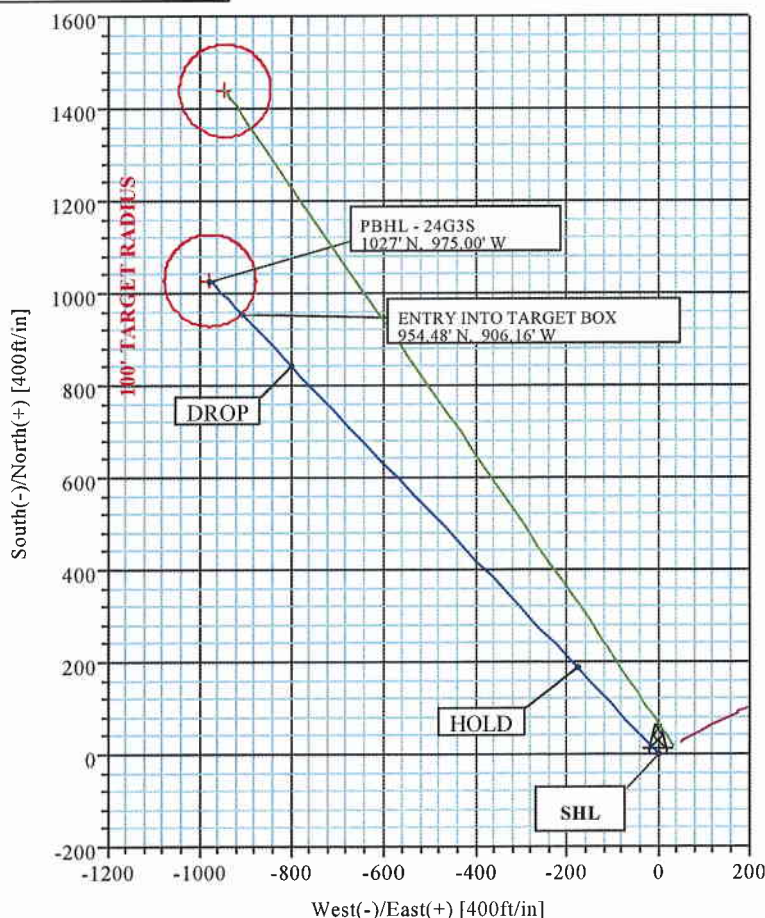
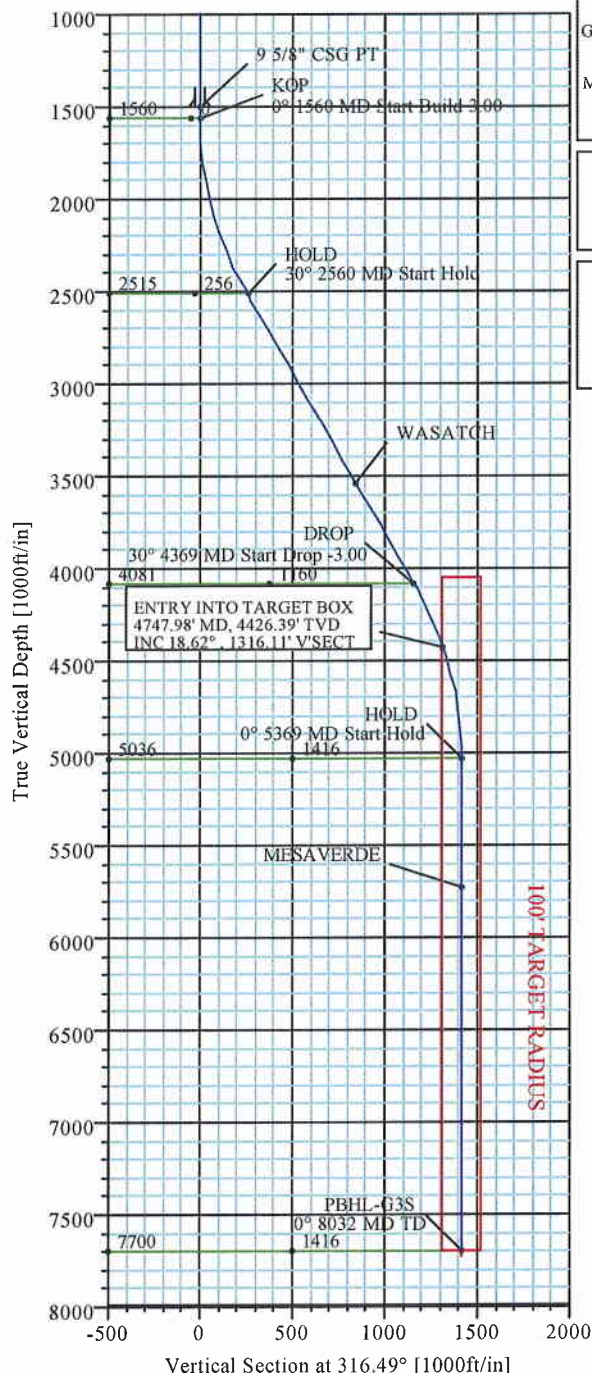
WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
NBU 1022-24G3S	-18.00	-35.00	14505651.00	2093885.00	39°55'57.753N	109°22'56.756W	N/A

FIELD DETAILS
 UTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)
 Geodetic System: Universal Transverse Mercator (USfeet)
 Ellipsoid: NAD27 (Clarke 1866)
 Zone: UTM Zone 12, North 114W to 108W
 Magnetic Model: bggm2007
 System Datum: Mean Sea Level
 Local North: Grid North

SITE DETAILS
 NBU 1022-241 PAD
 SECT 22-T10S-R24E
 Site Centre Northing: 14505669.00
 Easting: 2093920.00
 Ground Level: 4974.00
 Positional Uncertainty: 0.00
 Convergence: 1.04

TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL-24G3S	7700.00	1027.00	-975.00	14506678.00	2092910.00	Circle (Radius: 100)

FORMATION TOP DETAILS			
No.	TVDPath	MDPath	Formation
1	498.00	498.00	GREEN RIVER
2	3540.00	3743.65	WASATCH
3	5731.00	6063.46	MESAVERDE



Company: Anadarko-Kerr-McGee	Date: 6/4/2008	Time: 16:30:51	Page: 1
Field: UINTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)	Co-ordinate(NE) Reference: Well: NBU 1022-24G3S, Grid North		
Site: NBU 1022-24I PAD	Vertical (TVD) Reference: SITE 4994.0		
Well: NBU 1022-24G3S	Section (VS) Reference: Well (0.00N,0.00E,316.49Azi)		
Wellpath: 1	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Field: UINTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)

Map System: Universal Transverse Mercator (USfeet)
Geo Datum: NAD27 (Clarke 1866)
Sys Datum: Mean Sea Level

Map Zone: UTM Zone 12, North 114W to 108W
Coordinate System: Well Centre
Geomagnetic Model: bggm2007

Site: NBU 1022-24I PAD

SECT 22-T10S-R24E

Site Position:	Northing: 14505669.00 ft	Latitude: 39 55 57.924 N
From: Map	Easting: 2093920.00 ft	Longitude: 109 22 56.303 W
Position Uncertainty: 0.00 ft		North Reference: Grid
Ground Level: 4974.00 ft		Grid Convergence: 1.04 deg

Well: NBU 1022-24G3S

Slot Name:

Well Position: +N/-S -18.00 ft	Northing: 14505651.00 ft	Latitude: 39 55 57.753 N
+E/-W -35.00 ft	Easting: 2093885.00 ft	Longitude: 109 22 56.756 W
Position Uncertainty: 0.00 ft		

Wellpath: 1

Current Datum: SITE	Height 4994.00 ft	Drilled From: Surface
Magnetic Data: 6/4/2008		Tie-on Depth: 0.00 ft
Field Strength: 52643 nT		Above System Datum: Mean Sea Level
Vertical Section: Depth From (TVD)		Declination: 11.43 deg
ft	+N/-S ft	Mag Dip Angle: 65.91 deg
		+E/-W ft
		Direction deg
0.00	0.00	0.00 316.49

Plan: Plan #1

Date Composed: 6/4/2008
Version: 1
Tied-to: From Surface

Principal: Yes

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	316.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1560.00	0.00	316.49	1560.00	0.00	0.00	0.00	0.00	0.00	0.00	
2560.00	30.00	316.49	2514.93	185.57	-176.17	3.00	3.00	0.00	316.49	
4368.72	30.00	316.49	4081.33	841.43	-798.83	0.00	0.00	0.00	0.00	
5368.72	0.00	316.49	5036.26	1027.00	-975.00	3.00	-3.00	0.00	180.00	
8032.46	0.00	316.49	7700.00	1027.00	-975.00	0.00	0.00	0.00	0.00	PBHL-24G3S

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
1500.00	0.00	316.49	1500.00	0.00	0.00	0.00	0.00	14505651.00	2093885.00	9 5/8" CSG PT
1560.00	0.00	316.49	1560.00	0.00	0.00	0.00	0.00	14505651.00	2093885.00	KOP
1600.00	1.20	316.49	1600.00	0.30	-0.29	0.42	3.00	14505651.30	2093884.71	
1700.00	4.20	316.49	1699.87	3.72	-3.53	5.13	3.00	14505654.72	2093881.47	
1800.00	7.20	316.49	1799.37	10.92	-10.37	15.06	3.00	14505661.92	2093874.63	
1900.00	10.20	316.49	1898.21	21.89	-20.78	30.18	3.00	14505672.89	2093864.22	
2000.00	13.20	316.49	1996.12	36.60	-34.74	50.46	3.00	14505687.60	2093850.26	
2100.00	16.20	316.49	2092.83	55.00	-52.21	75.83	3.00	14505706.00	2093832.79	
2200.00	19.20	316.49	2188.09	77.04	-73.14	106.23	3.00	14505728.04	2093811.86	
2300.00	22.20	316.49	2281.62	102.68	-97.48	141.58	3.00	14505753.68	2093787.52	
2400.00	25.20	316.49	2373.18	131.82	-125.15	181.77	3.00	14505782.82	2093759.85	
2500.00	28.20	316.49	2462.51	164.40	-156.08	226.69	3.00	14505815.40	2093728.92	
2560.00	30.00	316.49	2514.93	185.57	-176.17	255.87	3.00	14505836.57	2093708.83	HOLD
2600.00	30.00	316.49	2549.57	200.07	-189.94	275.87	0.00	14505851.07	2093695.06	
2700.00	30.00	316.49	2636.17	236.33	-224.37	325.87	0.00	14505887.33	2093660.63	

Company: Anadarko-Kerr-McGee
Field: Uintah County, Utah (UTM Zone 12N-NAD 27)
Site: NBU 1022-24I PAD
Well: NBU 1022-24G3S
Wellpath: 1

Date: 6/4/2008 **Time:** 16:30:51 **Page:** 2
Co-ordinate(NE) Reference: Well: NBU 1022-24G3S, Grid North
Vertical (TVD) Reference: SITE 4994.0
Section (VS) Reference: Well (0.00N,0.00E,316.49Azi)
Survey Calculation Method: Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
2800.00	30.00	316.49	2722.78	272.59	-258.79	375.87	0.00	14505923.59	2093626.21	
2900.00	30.00	316.49	2809.38	308.86	-293.22	425.87	0.00	14505959.86	2093591.78	
3000.00	30.00	316.49	2895.98	345.12	-327.64	475.87	0.00	14505996.12	2093557.36	
3100.00	30.00	316.49	2982.58	381.38	-362.07	525.87	0.00	14506032.38	2093522.93	
3200.00	30.00	316.49	3069.19	417.64	-396.49	575.87	0.00	14506068.64	2093488.51	
3300.00	30.00	316.49	3155.79	453.90	-430.92	625.87	0.00	14506104.90	2093454.08	
3400.00	30.00	316.49	3242.39	490.16	-465.34	675.87	0.00	14506141.16	2093419.66	
3500.00	30.00	316.49	3328.99	526.42	-499.77	725.87	0.00	14506177.42	2093385.23	
3600.00	30.00	316.49	3415.60	562.69	-534.19	775.87	0.00	14506213.69	2093350.81	
3700.00	30.00	316.49	3502.20	598.95	-568.62	825.87	0.00	14506249.95	2093316.38	
3743.65	30.00	316.49	3540.00	614.77	-583.65	847.70	0.00	14506265.77	2093301.35	WASATCH
3800.00	30.00	316.49	3588.80	635.21	-603.05	875.87	0.00	14506286.21	2093281.95	
3900.00	30.00	316.49	3675.40	671.47	-637.47	925.87	0.00	14506322.47	2093247.53	
4000.00	30.00	316.49	3762.01	707.73	-671.90	975.87	0.00	14506358.73	2093213.10	
4100.00	30.00	316.49	3848.61	743.99	-706.32	1025.87	0.00	14506394.99	2093178.68	
4200.00	30.00	316.49	3935.21	780.25	-740.75	1075.87	0.00	14506431.25	2093144.25	
4300.00	30.00	316.49	4021.81	816.52	-775.17	1125.87	0.00	14506467.52	2093109.83	
4368.72	30.00	316.49	4081.33	841.43	-798.83	1160.23	0.00	14506492.43	2093086.17	DROP
4400.00	29.06	316.49	4108.54	852.62	-809.44	1175.65	3.00	14506503.62	2093075.56	
4500.00	26.06	316.49	4197.18	886.17	-841.30	1221.92	3.00	14506537.17	2093043.70	
4600.00	23.06	316.49	4288.13	916.31	-869.91	1263.48	3.00	14506567.31	2093015.09	
4700.00	20.06	316.49	4381.12	942.96	-895.21	1300.22	3.00	14506593.96	2092989.79	
4747.98	18.62	316.49	4426.39	954.48	-906.16	1316.11	3.00	14506605.48	2092978.84	ENTER TARGET
4800.00	17.06	316.49	4475.90	966.04	-917.13	1332.05	3.00	14506617.04	2092967.87	
4900.00	14.06	316.49	4572.23	985.50	-935.60	1358.88	3.00	14506636.50	2092949.40	
5000.00	11.06	316.49	4669.82	1001.27	-950.57	1380.62	3.00	14506652.27	2092934.43	
5100.00	8.06	316.49	4768.42	1013.31	-962.01	1397.23	3.00	14506664.31	2092922.99	
5200.00	5.06	316.49	4867.76	1021.60	-969.87	1408.66	3.00	14506672.60	2092915.13	
5300.00	2.06	316.49	4967.55	1026.10	-974.15	1414.87	3.00	14506677.10	2092910.85	
5368.72	0.00	316.49	5036.26	1027.00	-975.00	1416.11	3.00	14506678.00	2092910.00	HOLD
5400.00	0.00	316.49	5067.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
5500.00	0.00	316.49	5167.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
5600.00	0.00	316.49	5267.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
5700.00	0.00	316.49	5367.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
5800.00	0.00	316.49	5467.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
5900.00	0.00	316.49	5567.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6000.00	0.00	316.49	5667.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6063.46	0.00	316.49	5731.00	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	MESAVERDE
6100.00	0.00	316.49	5767.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6200.00	0.00	316.49	5867.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6300.00	0.00	316.49	5967.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6400.00	0.00	316.49	6067.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6500.00	0.00	316.49	6167.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6600.00	0.00	316.49	6267.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6700.00	0.00	316.49	6367.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6800.00	0.00	316.49	6467.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
6900.00	0.00	316.49	6567.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7000.00	0.00	316.49	6667.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7100.00	0.00	316.49	6767.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7200.00	0.00	316.49	6867.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7300.00	0.00	316.49	6967.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7400.00	0.00	316.49	7067.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7500.00	0.00	316.49	7167.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	

Company: Anadarko-Kerr-McGee Field: Uintah County, Utah (UTM Zone 12N-NAD 27) Site: NBU 1022-24I PAD Well: NBU 1022-24G3S Wellpath: 1	Date: 6/4/2008 Co-ordinate(NE) Reference: Well: NBU 1022-24G3S, Grid North Vertical (TVD) Reference: SITE 4994.0 Section (VS) Reference: Well (0.00N,0.00E,316.49Azi) Survey Calculation Method: Minimum Curvature Db: Sybase
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Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
7600.00	0.00	316.49	7267.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7700.00	0.00	316.49	7367.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7800.00	0.00	316.49	7467.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
7900.00	0.00	316.49	7567.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
8000.00	0.00	316.49	7667.54	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	
8032.46	0.00	316.49	7700.00	1027.00	-975.00	1416.11	0.00	14506678.00	2092910.00	PBHL-24G3S

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec			<--- Longitude ---> Deg Min Sec		
PBHL-24G3S			7700.00	1027.00	-975.00	14506678.00	2092910.00	39	56	8.076 N	109	23	9.034 W
-Circle (Radius: 100)													
-Plan hit target													

Casing Points

MD ft	TVD ft	Diameter in	Hole Size in	Name
1500.00	1500.00	9.625	12.250	9 5/8" CSG PT

Annotation

MD ft	TVD ft	
1560.00	1560.00	KOP
2560.00	2514.93	HOLD
4368.72	4081.33	DROP
4747.98	4426.39	ENTER TARGET
5368.72	5036.26	HOLD
8032.46	7700.00	PBHL-G3S

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
498.00	498.00	GREEN RIVER		0.00	0.00
3743.65	3540.00	WASATCH		0.00	0.00
6063.46	5731.00	MESAVERDE		0.00	0.00

Company:	Anadarko-Kerr-McGee	Date:	6/5/2008	Time:	08:43:22	Page:	1
Field:	UINTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)						
Reference Site:	NBU 1022-24I PAD	Co-ordinate(NE) Reference:	Well: NBU 1022-24G3S, Grid North				
Reference Well:	NBU 1022-24G3S	Vertical (TVD) Reference:	SITE 4994.0				
Reference Wellpath:	1	Db: Sybase					

NO GLOBAL SCAN: Using user defined selection & scan criteria
 Interpolation Method: TVD Interval: 100.00 ft
 Depth Range: 0.00 to 8032.46 ft
 Maximum Radius: 10000.00 ft

Reference: Plan: Plan #1
 Error Model: ISCWSA Ellipse
 Scan Method: Closest Approach 3D
 Error Surface: Ellipse

Plan: Plan #1	Date Composed: 6/4/2008
Principal: Yes	Version: 1
	Tied-to: From Surface

Summary

Site	Offset Wellpath Well	Wellpath	Reference MD ft	Offset MD ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
NBU 1022-24I PAD	NBU 1022-24G2S	1 V0 Plan: Plan #1 V1	4390.21	4385.54	222.01	173.07	4.54	
NBU 1022-24I PAD	NBU 1022-24I1S	1 V0 Plan: Plan #1 V1	1600.00	1598.79	59.57	53.12	9.24	

Site: NBU 1022-24I PAD
 Well: NBU 1022-24G2S
 Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference MD ft	TVD ft	Offset MD ft	TVD ft	Semi-Major Axis Ref ft	Offset ft	TFO-HS deg	Offset Location North ft	East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	62.78	18.00	35.00	39.36			No Data
100.00	100.00	100.00	100.00	0.08	0.08	62.78	18.00	35.00	39.36	39.19	234.90	
200.00	200.00	200.00	200.00	0.29	0.29	62.78	18.00	35.00	39.36	38.77	67.11	
300.00	300.00	300.00	300.00	0.50	0.50	62.78	18.00	35.00	39.36	38.35	39.15	
400.00	400.00	400.00	400.00	0.71	0.71	62.78	18.00	35.00	39.36	37.93	27.63	
500.00	500.00	500.00	500.00	0.92	0.92	62.78	18.00	35.00	39.36	37.51	21.35	
600.00	600.00	600.00	600.00	1.13	1.13	62.78	18.00	35.00	39.36	37.10	17.40	
700.00	700.00	700.00	700.00	1.34	1.34	62.78	18.00	35.00	39.36	36.68	14.68	
800.00	800.00	800.00	800.00	1.55	1.55	62.78	18.00	35.00	39.36	36.26	12.70	
900.00	900.00	900.00	900.00	1.76	1.76	62.78	18.00	35.00	39.36	35.84	11.19	
1000.00	1000.00	1000.00	1000.00	1.97	1.97	62.78	18.00	35.00	39.36	35.42	10.00	
1100.00	1100.00	1100.00	1100.00	2.18	2.18	62.78	18.00	35.00	39.36	35.00	9.03	
1200.00	1200.00	1200.00	1200.00	2.39	2.39	62.78	18.00	35.00	39.36	34.58	8.24	
1300.00	1300.00	1300.00	1300.00	2.60	2.60	62.78	18.00	35.00	39.36	34.16	7.58	
1400.00	1400.00	1400.00	1400.00	2.81	2.81	62.78	18.00	35.00	39.36	33.74	7.01	
1500.00	1500.00	1500.00	1500.00	3.02	3.02	62.78	18.00	35.00	39.36	33.33	6.52	
1600.00	1600.00	1600.11	1600.10	3.23	3.23	106.27	18.35	34.76	39.42	32.97	6.11	
1700.13	1700.00	1700.49	1700.36	3.44	3.44	106.02	22.26	32.07	40.14	33.27	5.84	
1800.64	1800.00	1801.24	1800.60	3.66	3.66	105.51	30.54	26.38	41.68	34.36	5.69	
1901.82	1900.00	1902.65	1900.81	3.90	3.90	104.79	43.25	17.62	44.04	36.23	5.64	
2003.99	2000.00	2005.00	2000.98	4.18	4.19	103.92	60.52	5.75	47.25	38.87	5.64	
2107.47	2100.00	2108.62	2101.10	4.53	4.54	102.97	82.47	-9.36	51.35	42.28	5.66	
2212.63	2200.00	2213.85	2201.16	4.97	4.97	101.98	109.31	-27.83	56.38	46.44	5.67	
2319.89	2300.00	2321.13	2301.14	5.51	5.52	100.99	141.30	-49.83	62.40	51.37	5.66	
2429.75	2400.00	2430.91	2401.04	6.20	6.19	100.03	178.77	-75.62	69.47	57.09	5.61	
2542.81	2500.00	2543.78	2500.85	7.03	7.01	99.11	222.17	-105.47	77.68	63.68	5.55	
2658.23	2600.00	2658.87	2600.55	8.00	7.97	98.52	269.52	-138.05	86.67	70.75	5.45	
2773.70	2700.00	2773.98	2700.24	9.01	8.97	98.09	316.94	-170.68	95.67	77.75	5.34	
2889.17	2800.00	2889.10	2799.94	10.06	10.00	97.73	364.36	-203.30	104.69	84.69	5.23	
3004.64	2900.00	3004.21	2899.63	11.14	11.05	97.42	411.78	-235.93	113.71	91.58	5.14	
3120.11	3000.00	3119.33	2999.32	12.23	12.12	97.16	459.20	-268.56	122.73	98.44	5.05	
3235.58	3100.00	3234.45	3099.02	13.33	13.21	96.94	506.61	-301.18	131.75	105.27	4.98	
3351.05	3200.00	3349.56	3198.71	14.45	14.30	96.74	554.03	-333.81	140.77	112.09	4.91	
3466.52	3300.00	3464.68	3298.40	15.57	15.41	96.57	601.45	-366.43	149.80	118.89	4.85	
3581.99	3400.00	3579.79	3398.10	16.70	16.52	96.42	648.87	-399.06	158.82	125.69	4.79	
3697.46	3500.00	3694.91	3497.79	17.84	17.63	96.28	696.29	-431.68	167.85	132.47	4.74	

Company: Anadarko-Kerr-McGee Date: 6/5/2008 Time: 08:43:22 Page: 2
Field: UINTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)
Reference Site: NBU 1022-24I PAD Co-ordinate(NE) Reference: Well: NBU 1022-24G3S, Grid North
Reference Well: NBU 1022-24G3S Vertical (TVD) Reference: SITE 4994.0
Reference Wellpath: 1 Db: Sybase

Site: NBU 1022-24I PAD
Well: NBU 1022-24G2S
Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
3812.93	3600.00	3810.03	3597.48	18.97	18.75	96.16	743.71	-464.31	176.88	139.24	4.70	
3928.40	3700.00	3925.14	3697.18	20.12	19.87	96.05	791.13	-496.93	185.91	146.01	4.66	
4043.87	3800.00	4040.26	3796.87	21.26	20.99	95.95	838.54	-529.56	194.94	152.78	4.62	
4159.34	3900.00	4155.37	3896.56	22.41	22.12	95.86	885.96	-562.18	203.97	159.54	4.59	
4274.81	4000.00	4270.49	3996.26	23.56	23.25	95.77	933.38	-594.81	213.00	166.29	4.56	
4390.21	4100.00	4385.54	4095.89	24.67	24.38	95.72	980.77	-627.41	222.01	173.07	4.54	
4503.13	4200.00	4498.02	4193.31	25.39	25.49	94.76	1027.11	-659.29	230.43	179.66	4.54	
4612.89	4300.00	4606.95	4287.64	25.99	26.56	92.38	1071.98	-690.16	238.39	185.96	4.55	
4720.06	4400.00	4712.58	4379.11	26.50	27.60	88.87	1115.49	-720.10	246.68	192.89	4.59	
4825.15	4500.00	4815.11	4467.92	26.91	28.61	84.49	1157.72	-749.16	256.32	201.60	4.68	
4928.58	4600.00	4914.72	4554.18	27.24	29.60	79.51	1198.75	-777.39	268.40	213.30	4.87	
5030.70	4700.00	5013.45	4639.80	27.48	30.50	74.15	1239.26	-805.26	283.89	229.11	5.18	
5131.86	4800.00	5116.62	4731.25	27.65	31.13	68.92	1278.58	-832.32	301.77	248.01	5.61	
5232.35	4900.00	5221.15	4826.39	27.73	31.70	64.25	1314.21	-856.83	321.14	268.69	6.12	
5332.46	5000.00	5327.38	4925.36	27.75	32.20	60.05	1345.98	-878.69	341.63	290.70	6.71	
5432.46	5100.00	5436.05	5028.66	27.76	32.63	12.55	1373.74	-897.78	362.32	324.53	9.59	
5532.46	5200.00	5548.35	5137.24	27.81	32.98	9.36	1397.28	-913.99	380.49	343.78	10.36	
5632.46	5300.00	5663.79	5250.42	27.87	33.24	7.06	1415.97	-926.84	395.06	359.06	10.98	
5732.46	5400.00	5781.64	5367.15	27.92	33.41	5.55	1429.19	-935.94	405.42	369.88	11.41	
5832.46	5500.00	5901.05	5486.21	27.98	33.48	4.75	1436.52	-940.98	411.17	375.88	11.65	
5932.46	5600.00	6014.87	5600.00	28.04	33.47	4.59	1438.00	-942.00	412.32	387.18	16.40	
6032.46	5700.00	6114.87	5700.00	28.10	33.53	4.59	1438.00	-942.00	412.32	386.93	16.24	
6132.46	5800.00	6214.87	5800.00	28.16	33.58	4.59	1438.00	-942.00	412.32	386.67	16.07	
6232.46	5900.00	6314.87	5900.00	28.23	33.63	4.59	1438.00	-942.00	412.32	386.40	15.91	
6332.46	6000.00	6414.87	6000.00	28.29	33.69	4.59	1438.00	-942.00	412.32	386.13	15.74	
6432.46	6100.00	6514.87	6100.00	28.36	33.75	4.59	1438.00	-942.00	412.32	385.86	15.58	
6532.46	6200.00	6614.87	6200.00	28.43	33.81	4.59	1438.00	-942.00	412.32	385.58	15.42	
6632.46	6300.00	6714.87	6300.00	28.50	33.87	4.59	1438.00	-942.00	412.32	385.30	15.26	
6732.46	6400.00	6814.87	6400.00	28.57	33.93	4.59	1438.00	-942.00	412.32	385.02	15.10	
6832.46	6500.00	6914.87	6500.00	28.64	33.99	4.59	1438.00	-942.00	412.32	384.73	14.94	
6932.46	6600.00	7014.87	6600.00	28.72	34.05	4.59	1438.00	-942.00	412.32	384.44	14.79	
7032.46	6700.00	7114.87	6700.00	28.79	34.12	4.59	1438.00	-942.00	412.32	384.15	14.63	
7132.46	6800.00	7214.87	6800.00	28.87	34.18	4.59	1438.00	-942.00	412.32	383.85	14.48	
7232.46	6900.00	7314.87	6900.00	28.95	34.25	4.59	1438.00	-942.00	412.32	383.55	14.33	
7332.46	7000.00	7414.87	7000.00	29.02	34.32	4.59	1438.00	-942.00	412.32	383.25	14.18	
7432.46	7100.00	7514.87	7100.00	29.11	34.39	4.59	1438.00	-942.00	412.32	382.94	14.03	
7532.46	7200.00	7614.87	7200.00	29.19	34.46	4.59	1438.00	-942.00	412.32	382.64	13.89	
7632.46	7300.00	7714.87	7300.00	29.27	34.53	4.59	1438.00	-942.00	412.32	382.32	13.75	
7732.46	7400.00	7814.87	7400.00	29.35	34.60	4.59	1438.00	-942.00	412.32	382.01	13.60	
7832.46	7500.00	7914.87	7500.00	29.44	34.67	4.59	1438.00	-942.00	412.32	381.70	13.46	
7932.46	7600.00	8014.87	7600.00	29.53	34.75	4.59	1438.00	-942.00	412.32	381.38	13.32	
8032.46	7700.00	8114.87	7700.00	29.61	34.82	4.59	1438.00	-942.00	412.32	381.06	13.19	

Site: NBU 1022-24I PAD
Well: NBU 1022-24I1S
Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	63.87	26.00	53.00	59.03			No Data
100.00	100.00	100.00	100.00	0.08	0.08	63.87	26.00	53.00	59.03	58.87	352.33	
200.00	200.00	200.00	200.00	0.29	0.29	63.87	26.00	53.00	59.03	58.45	100.67	

Company:	Anadarko-Kerr-McGee	Date:	6/5/2008	Time:	08:43:22	Page:	3
Field:	UINTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)	Co-ordinate(NE) Reference:	Well: NBU 1022-24G3S, Grid North				
Reference Site:	NBU 1022-24I PAD	Vertical (TVD) Reference:	SITE 4994.0				
Reference Well:	NBU 1022-24G3S	Db: Sybase					
Reference Wellpath:	1						

Site: NBU 1022-24I PAD
 Well: NBU 1022-24I1S
 Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	Semi-Major Axis TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
300.00	300.00	300.00	300.00	0.50	0.50	63.87	26.00	53.00	59.03	58.03	58.72	
400.00	400.00	400.00	400.00	0.71	0.71	63.87	26.00	53.00	59.03	57.61	41.45	
500.00	500.00	500.00	500.00	0.92	0.92	63.87	26.00	53.00	59.03	57.19	32.03	
600.00	600.00	600.00	600.00	1.13	1.13	63.87	26.00	53.00	59.03	56.77	26.10	
700.00	700.00	700.00	700.00	1.34	1.34	63.87	26.00	53.00	59.03	56.35	22.02	
800.00	800.00	800.00	800.00	1.55	1.55	63.87	26.00	53.00	59.03	55.93	19.05	
900.00	900.00	900.00	900.00	1.76	1.76	63.87	26.00	53.00	59.03	55.52	16.78	
1000.00	1000.00	1000.00	1000.00	1.97	1.97	63.87	26.00	53.00	59.03	55.10	14.99	
1100.00	1100.00	1100.00	1100.00	2.18	2.18	63.87	26.00	53.00	59.03	54.68	13.55	
1200.00	1200.00	1200.00	1200.00	2.39	2.39	63.87	26.00	53.00	59.03	54.26	12.36	
1300.00	1300.00	1300.00	1300.00	2.60	2.60	63.87	26.00	53.00	59.03	53.84	11.37	
1400.00	1400.00	1400.00	1400.00	2.81	2.81	63.87	26.00	53.00	59.03	53.42	10.52	
1500.00	1500.00	1500.00	1500.00	3.02	3.02	63.87	26.00	53.00	59.03	53.00	9.79	
1600.00	1600.00	1598.79	1598.79	3.23	3.22	107.73	26.18	53.35	59.57	53.12	9.24	
1700.13	1700.00	1695.48	1695.36	3.44	3.43	111.26	28.20	57.27	65.71	58.86	9.59	
1800.64	1800.00	1791.17	1790.61	3.66	3.64	116.79	32.40	65.42	79.37	72.11	10.94	
1901.82	1900.00	1885.20	1883.63	3.90	3.86	122.15	38.64	77.56	101.27	93.60	13.21	
2003.99	2000.00	1976.96	1973.65	4.18	4.11	126.33	46.75	93.31	131.69	123.60	16.27	
2107.47	2100.00	2065.89	2060.00	4.53	4.39	129.25	56.49	112.22	170.63	162.07	19.92	
2212.63	2200.00	2151.54	2142.13	4.97	4.71	131.10	67.60	133.80	218.02	208.92	23.96	
2319.89	2300.00	2233.51	2219.64	5.51	5.07	132.13	79.80	157.50	273.82	264.10	28.17	
2429.75	2400.00	2314.43	2295.01	6.20	5.48	132.59	93.26	183.66	337.98	327.51	32.28	
2542.81	2500.00	2401.66	2375.92	7.03	5.96	133.02	108.19	212.65	408.79	397.39	35.85	
2658.23	2600.00	2488.37	2456.35	8.00	6.48	134.91	123.02	241.46	483.82	471.38	38.91	
2773.70	2700.00	2575.08	2536.77	9.01	7.02	136.55	137.86	270.28	559.23	545.73	41.43	
2889.17	2800.00	2661.78	2617.19	10.06	7.58	137.80	152.69	299.09	634.84	620.25	43.50	
3004.64	2900.00	2748.49	2697.61	11.14	8.14	138.79	167.53	327.91	710.59	694.88	45.22	
3120.11	3000.00	2835.19	2778.03	12.23	8.72	139.59	182.36	356.72	786.45	769.59	46.66	
3235.58	3100.00	2921.90	2858.45	13.33	9.31	140.25	197.20	385.54	862.37	844.36	47.88	
3351.05	3200.00	3014.41	2944.29	14.45	9.87	140.84	212.98	416.20	938.29	919.15	49.02	
3466.52	3300.00	3132.39	3054.94	15.57	10.23	141.62	231.71	452.58	1012.45	992.43	50.57	
3581.99	3400.00	3255.85	3172.42	16.70	10.59	142.53	249.06	486.28	1083.90	1063.02	51.90	
3697.46	3500.00	3384.67	3296.64	17.84	10.93	143.56	264.67	516.61	1152.52	1130.81	53.09	
3812.93	3600.00	3518.68	3427.34	18.97	11.22	144.71	278.18	542.85	1218.18	1195.71	54.21	
3928.40	3700.00	3657.56	3564.10	20.12	11.44	145.97	289.22	564.29	1280.78	1257.63	55.32	
4043.87	3800.00	3800.90	3706.30	21.26	11.59	147.35	297.42	580.21	1340.25	1316.50	56.44	
4159.34	3900.00	3948.16	3853.14	22.41	11.64	148.85	302.44	589.96	1396.56	1372.34	57.67	
4274.81	4000.00	4095.08	4000.00	23.56	11.60	150.43	304.00	593.00	1449.70	1423.40	55.13	
4390.21	4100.00	4195.08	4100.00	24.67	11.66	151.64	304.00	593.00	1501.61	1474.89	56.21	
4503.13	4200.00	4295.08	4200.00	25.39	11.74	153.25	304.00	593.00	1549.20	1522.46	57.94	
4612.89	4300.00	4395.08	4300.00	25.99	11.82	154.55	304.00	593.00	1590.47	1563.73	59.48	
4720.06	4400.00	4495.08	4400.00	26.50	11.90	155.60	304.00	593.00	1625.82	1599.10	60.84	
4825.15	4500.00	4595.08	4500.00	26.91	11.98	156.43	304.00	593.00	1655.53	1628.84	62.03	
4928.58	4600.00	4695.08	4600.00	27.24	12.07	157.08	304.00	593.00	1679.86	1653.22	63.07	
5030.70	4700.00	4795.08	4700.00	27.48	12.16	157.58	304.00	593.00	1698.98	1672.42	63.96	
5131.86	4800.00	4895.08	4800.00	27.65	12.25	157.93	304.00	593.00	1713.04	1686.57	64.72	
5232.35	4900.00	4995.08	4900.00	27.73	12.35	158.16	304.00	593.00	1722.14	1695.78	65.34	
5332.46	5000.00	5095.08	5000.00	27.75	12.45	158.26	304.00	593.00	1726.34	1700.12	65.83	
5432.46	5100.00	5195.08	5100.00	27.76	12.55	114.75	304.00	593.00	1726.66	1689.24	46.15	
5532.46	5200.00	5295.08	5200.00	27.81	12.65	114.75	304.00	593.00	1726.66	1689.07	45.94	
5632.46	5300.00	5395.08	5300.00	27.87	12.76	114.75	304.00	593.00	1726.66	1688.90	45.73	



Company:	Anadarko-Kerr-McGee	Date: 6/5/2008	Time: 08:43:22	Page: 4
Field:	UINTAH COUNTY, UTAH (UTM Zone 12N-NAD 27)			
Reference Site:	NBU 1022-24I PAD	Co-ordinate(NE) Reference:	Well: NBU 1022-24G3S, Grid North	
Reference Well:	NBU 1022-24G3S	Vertical (TVD) Reference:	SITE 4994.0	
Reference Wellpath: 1				Db: Sybase

Site: NBU 1022-24I PAD
Well: NBU 1022-24I1S
Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference		Offset		Semi-Major Axis			Offset Location		Ctr-Ctr Distance	Edge Distance	Separation Factor	Warning
MD	TVD	MD	TVD	Ref	Offset	TFO-HS	North	East				
ft	ft	ft	ft	ft	ft	deg	ft	ft	ft	ft		
5732.46	5400.00	5495.08	5400.00	27.92	12.87	114.75	304.00	593.00	1726.66	1688.73	45.52	
5832.46	5500.00	5595.08	5500.00	27.98	12.98	114.75	304.00	593.00	1726.66	1688.55	45.30	
5932.46	5600.00	5695.08	5600.00	28.04	13.09	114.75	304.00	593.00	1726.66	1688.36	45.08	
6032.46	5700.00	5795.08	5700.00	28.10	13.21	114.75	304.00	593.00	1726.66	1688.17	44.86	
6132.46	5800.00	5895.08	5800.00	28.16	13.33	114.75	304.00	593.00	1726.66	1687.98	44.64	
6232.46	5900.00	5995.08	5900.00	28.23	13.45	114.75	304.00	593.00	1726.66	1687.78	44.42	
6332.46	6000.00	6095.08	6000.00	28.29	13.57	114.75	304.00	593.00	1726.66	1687.59	44.19	
6432.46	6100.00	6195.08	6100.00	28.36	13.70	114.75	304.00	593.00	1726.66	1687.38	43.96	
6532.46	6200.00	6295.08	6200.00	28.43	13.82	114.75	304.00	593.00	1726.66	1687.18	43.73	
6632.46	6300.00	6395.08	6300.00	28.50	13.95	114.75	304.00	593.00	1726.66	1686.97	43.50	
6732.46	6400.00	6495.08	6400.00	28.57	14.08	114.75	304.00	593.00	1726.66	1686.75	43.27	
6832.46	6500.00	6595.08	6500.00	28.64	14.22	114.75	304.00	593.00	1726.66	1686.54	43.03	
6932.46	6600.00	6695.08	6600.00	28.72	14.35	114.75	304.00	593.00	1726.66	1686.32	42.80	
7032.46	6700.00	6795.08	6700.00	28.79	14.49	114.75	304.00	593.00	1726.66	1686.09	42.56	
7132.46	6800.00	6895.08	6800.00	28.87	14.63	114.75	304.00	593.00	1726.66	1685.87	42.33	
7232.46	6900.00	6995.08	6900.00	28.95	14.77	114.75	304.00	593.00	1726.66	1685.64	42.09	
7332.46	7000.00	7095.08	7000.00	29.02	14.91	114.75	304.00	593.00	1726.66	1685.41	41.85	
7432.46	7100.00	7195.08	7100.00	29.11	15.05	114.75	304.00	593.00	1726.66	1685.17	41.62	
7532.46	7200.00	7295.08	7200.00	29.19	15.20	114.75	304.00	593.00	1726.66	1684.93	41.38	
7632.46	7300.00	7395.08	7300.00	29.27	15.34	114.75	304.00	593.00	1726.66	1684.69	41.14	
7732.46	7400.00	7495.08	7400.00	29.35	15.49	114.75	304.00	593.00	1726.66	1684.45	40.91	
7832.46	7500.00	7595.08	7500.00	29.44	15.64	114.75	304.00	593.00	1726.66	1684.20	40.67	
7932.46	7600.00	7695.08	7600.00	29.53	15.79	114.75	304.00	593.00	1726.66	1683.96	40.43	
8032.46	7700.00	7795.08	7700.00	29.61	15.94	114.75	304.00	593.00	1726.66	1683.70	40.20	

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-24I, 1022-24G2S, #1022-24I1S & #1022-24G3S
SECTION 24, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE NBU #1022-24B TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 4.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE EAST; FOLLOW ROAD FLAGS IN A EASTERLY DIRECTION APPROXIMATELY 67' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 66.4 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-24I, 1022-24G2S,
#1022-24I1S & #1022-24G3S
LOCATED IN UTAH COUNTY, UTAH
SECTION 24, T10S, R22E, S.L.B.&M.

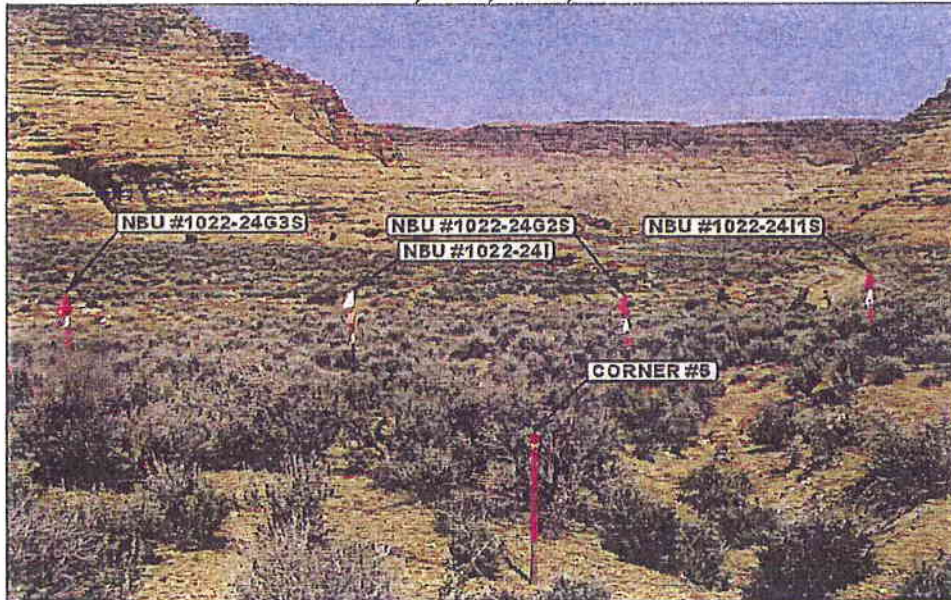


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKES

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 04 06
MONTH DAY YEAR

PHOTO

TAKEN BY: G.O. | DRAWN BY: A.A. | REV: 05-12-08 Z.L.

Kerr-McGee Oil and Gas Onshore LP

NBU #1022-24I, 1022-24G2S,
#1022-24I1S & #1022-24G3S

PIPELINE ALIGNMENT

LOCATED IN UTAH COUNTY, UTAH
SECTION 24, T10S, R22E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: EASTERLY



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PIPELINE PHOTOS

12 04 05
MONTH DAY YEAR

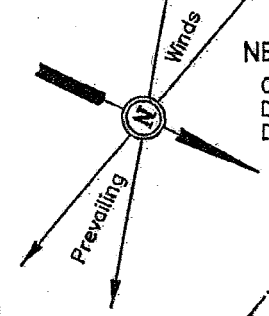
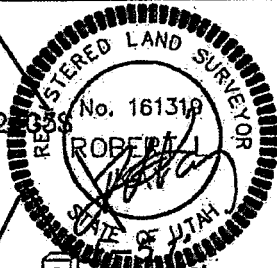
PHOTO

TAKEN BY: G.O. | DRAWN BY: A.A. | REV: 05-12-08 Z.L.

Kerr-McGee Oil & Gas Onshore LP

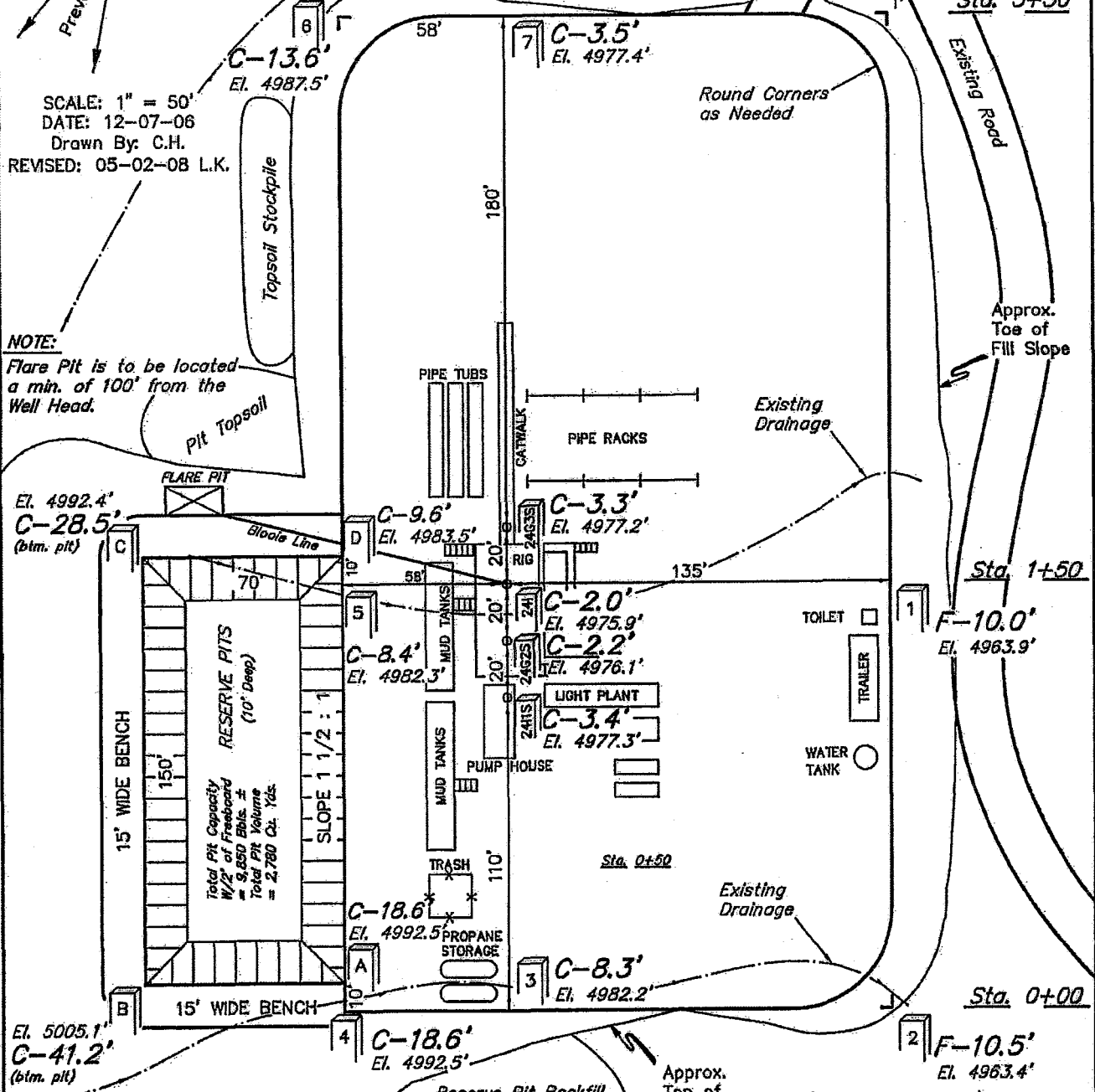
LOCATION LAYOUT FOR

NBU #1022-24I, #1022-24G2S, #1022-24IIS & #1022-24IIS
 CONSTRUCT DIVERSION DITCH
 SECTION 24, T10S, R22E, S.L.B.&M.
 NE 1/4 SE 1/4



SCALE: 1" = 50'
 DATE: 12-07-06
 Drawn By: C.H.
 REVISED: 05-02-08 L.K.

NOTE:
 Flare Pit is to be located
 a min. of 100' from the
 Well Head.



NOTES:
 Elev. Ungraded Ground At #24I Loc. Stake = 4975.9'
 FINISHED GRADE ELEV. AT #24I LOC. STAKE = 4973.9'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
 86 So. 200 East • Vernal, Utah 84078 • (435) 788-1017

Kerr-McGee Oil & Gas Onshore LP

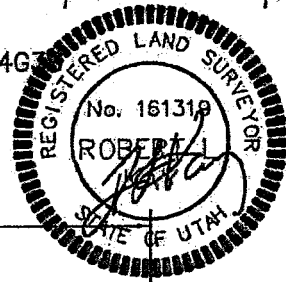
FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1022-24I, #1022-24G2S, #1022-24I1S & #1022-24G3

SECTION 24, T10S, R22E, S.L.B.&M.

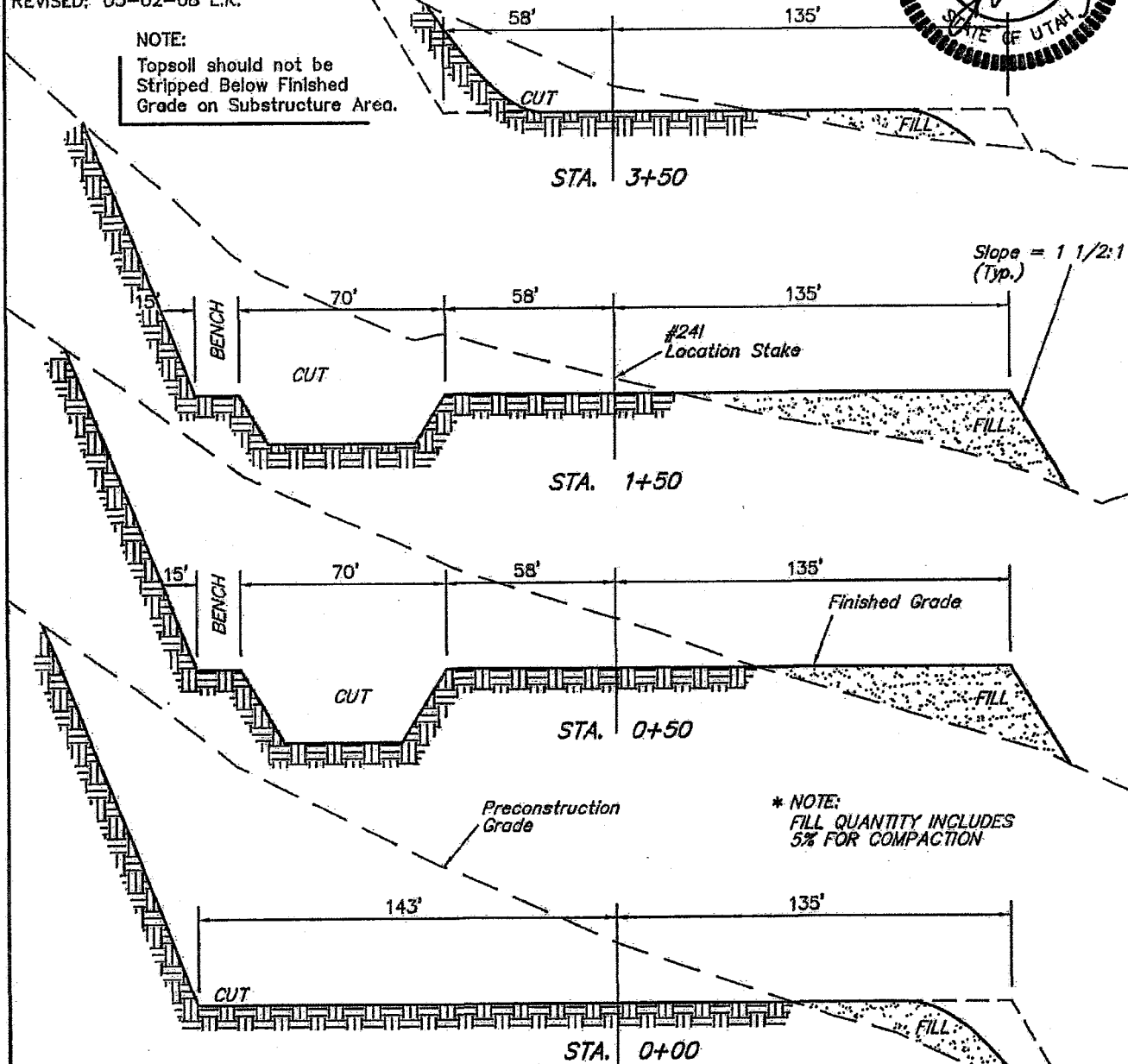
NE 1/4 SE 1/4



1" = 20'
X-Section Scale
1" = 50'
DATE: 12-07-06
Drawn By: C.H.
REVISED: 05-02-08 L.K.

NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 2,210 Cu. Yds.
Remaining Location = 28,340 Cu. Yds.
TOTAL CUT = 30,550 CU.YDS.
FILL = 8,580 CU.YDS.

EXCESS MATERIAL = 21,970 Cu. Yds.
Topsoil & Pit Backfill = 3,600 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 18,370 Cu. Yds.
(After Interim Rehabilitation)

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LEGEND:

● PROPOSED LOCATION

N

Kerr-McGee Gas & Onshore LP

NBU #1022-24I, 1022-24G2S,
 #1022-24I1S & #1022-24G3S
 SECTION 24, T10S, R22E, S.L.B.&M.
 NE 1/4 SE 1/4



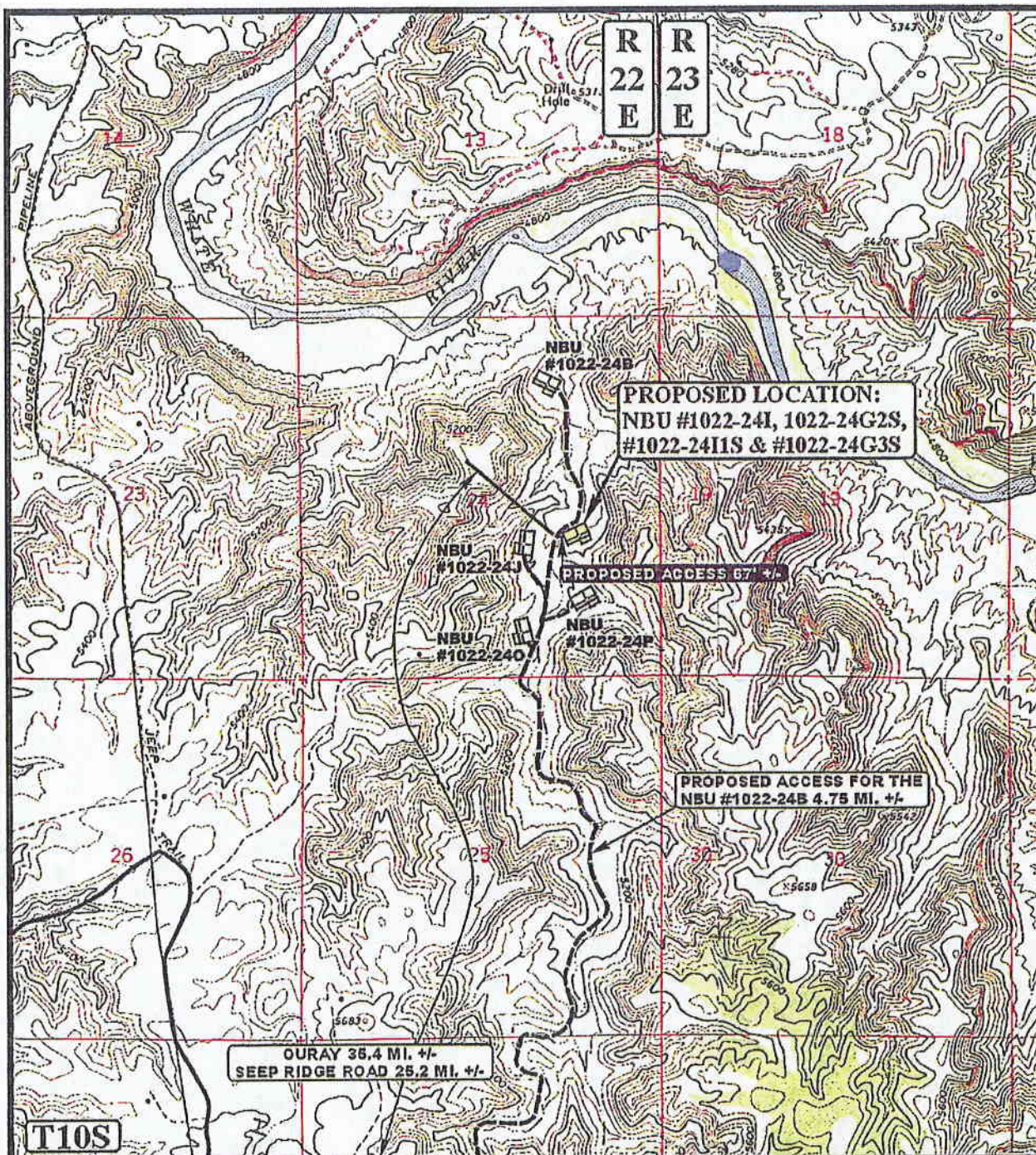
Utah Engineering & Land Surveying
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 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

12 04 06
 MONTH DAY YEAR



SCALE: 1:100,000 DRAWN BY: A.A. REV: 05-12-08 Z.L.



LEGEND:

EXISTING ROAD
PROPOSED ACCESS ROAD



Kerr-McGee Gas & Onshore LP

NBU #1022-24I, 1022-24G2S,
#1022-24I1S & #1022-24G3S
SECTION 24, T10S, R22E, S.L.B.&M.
NE 1/4 SE 1/4



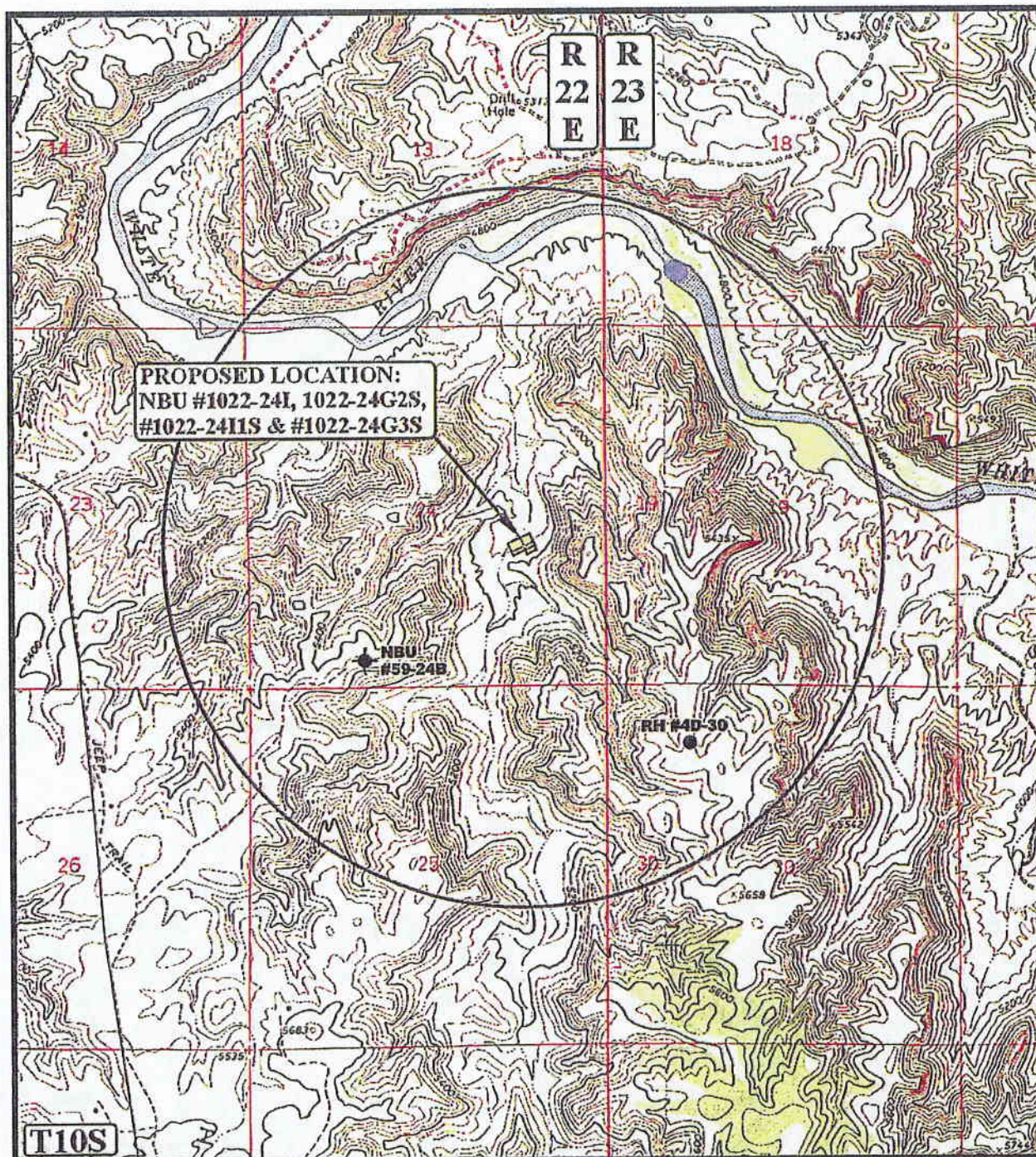
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**TOPOGRAPHIC
MAP**

12 04 06
MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: AA. REV: 05-12-08 Z.L.



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Kerr-McGee Gas & Onshore LP

NBU #1022-24I, 1022-24G2S,
 #1022-24I1S & #1022-24G3S
 SECTION 24, T10S, R22E, S.L.B.&M.
 NE 1/4 SE 1/4



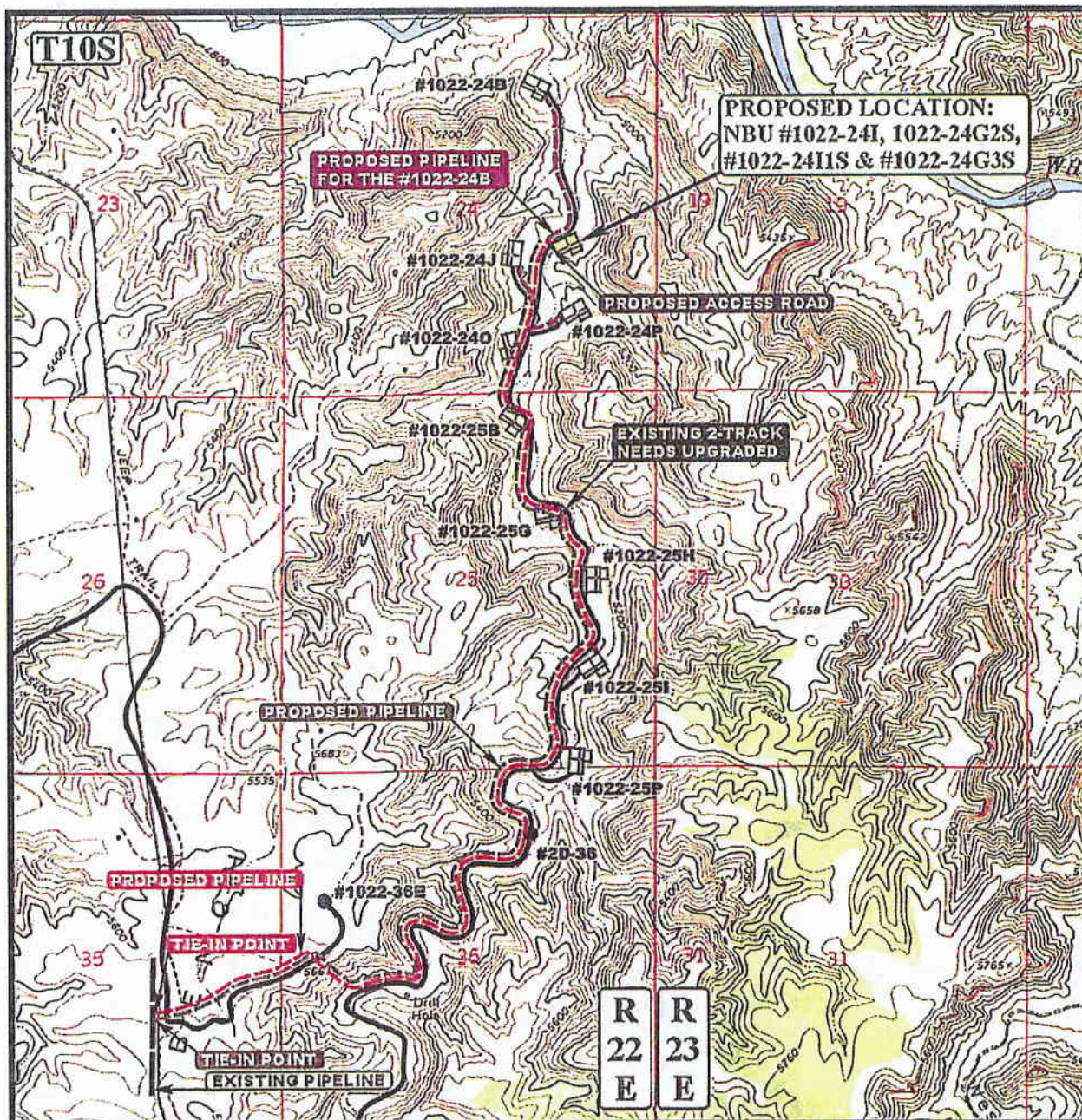
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**TOPOGRAPHIC
 MAP**

12 04 06
 MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: A.A. REV: 05-12-08 Z.L.



APPROXIMATE TOTAL 6" PIPELINE DISTANCE = 17,450' +/-

APPROXIMATE TOTAL 10" PIPELINE DISTANCE = 17,450' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-24I, 1022-24G2S,
#1022-24I1S & #1022-24G3S
SECTION 24, T10S, R22E, S.L.B.&M.
NE 1/4 SE 1/4



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
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TOPOGRAPHIC
MAP

12 04 06
MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: A.A. REV: 05-12-08 Z.L.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/11/2008

API NO. ASSIGNED: 43-047-40142

WELL NAME: NBU 1022-24G3S

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 720-929-6226

CONTACT: KEVIN MCINTYRE

PROPOSED LOCATION:

NESE 24 100S 220E

SURFACE: 2037 FSL 1184 FEL

BOTTOM: 2225 FNL 2140 FEL

COUNTY: UINTAH

LATITUDE: 39.93275 LONGITUDE: -109.3824

UTM SURF EASTINGS: 638221 NORTHINGS: 4421336

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	7/29/08
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ST ML 23610

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

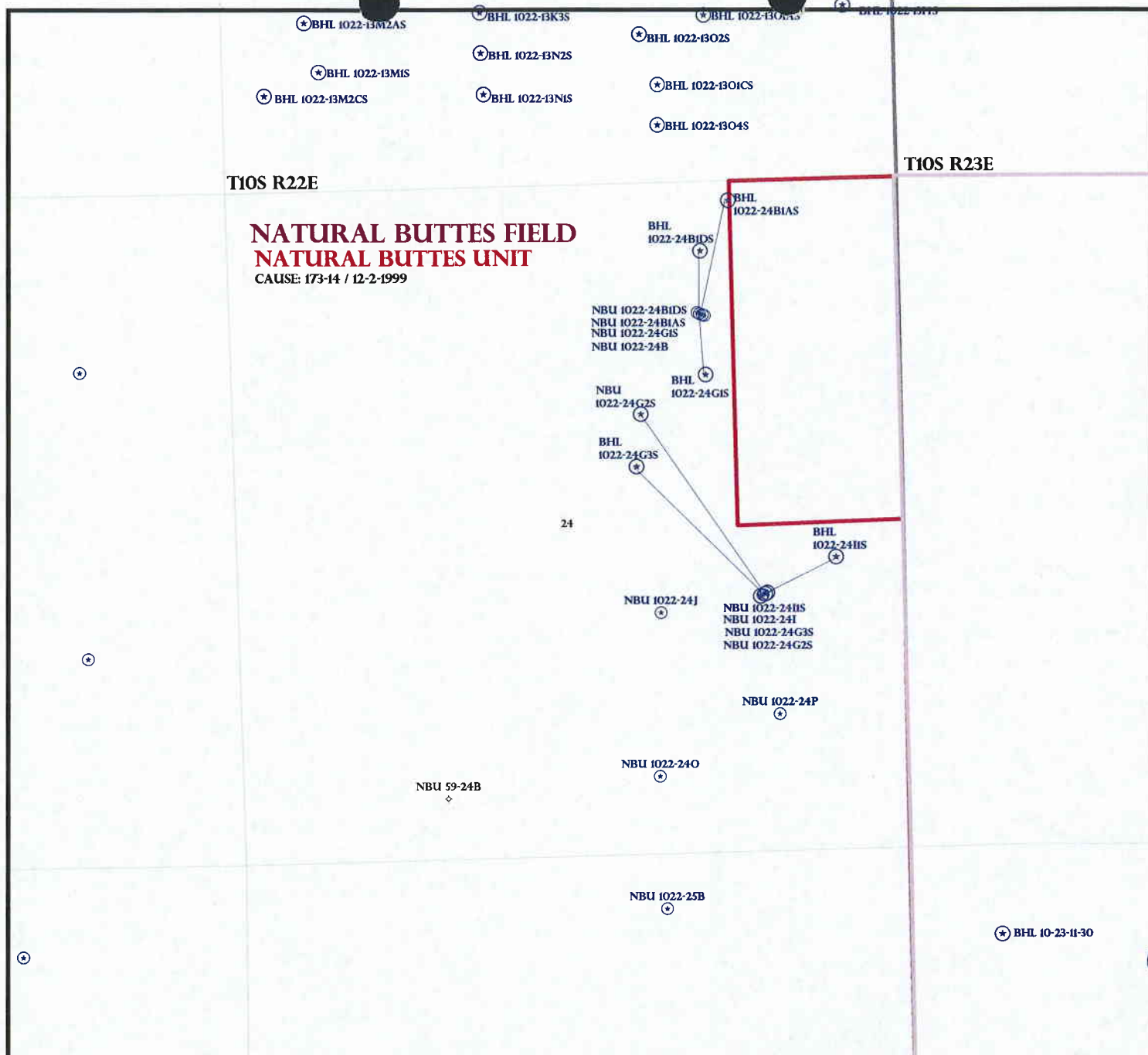
☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.
Unit: NATURAL BUTTES
 R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
 R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173.14
Eff Date: 12-2-1999
Siting: 460' from boundary & 920' from center line
☒ R649-3-11. Directional Drill

COMMENTS: Needs Permit (02-14-08)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 24 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



PREPARED BY: DIANA MASON
 DATE: 13-JUNE-2008

Application for Permit to Drill

Statement of Basis

7/10/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
817	43-047-40142-00-00		GW	S	No
Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.		Surface Owner-APD			
Well Name NBU 1022-24G3S		Unit	NATURAL BUTTES		
Field	NATURAL BUTTES	Type of Work			
Location NESE 24 10S 22E S 2037 FSL 1184 FEL GPS Coord (UTM) 638221E 4421336N					

Geologic Statement of Basis

Kerr McGee proposes to set 1,300' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5,000'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 24. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water.

Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

7/10/2008
Date / Time

Surface Statement of Basis

The general area is Archy Wash located south of the White River in Uintah County, Utah. Vernal, Utah is approximately 37 miles to the northwest and Bonanza, Utah approximately 12 miles to the northeast. Archy Bench is approximately 1 mile to the west and West Fork of Saddle Tree Draw 1-2 miles to the east. The topography in the area is characterized by steep sidehills bordering winding narrow to moderately narrow draws. Many side-slopes are rimmed with sandstone bedrock forming vertical cliffs. Numerous small side draws lead away from the main divides. All drainages are ephemeral only flowing during winter snowmelt and following intense summer rainstorms. Roads are commonly constructed in the bottom of the washes and are subject to washing out following runoff events. Erosion from side-slopes is moderate. No streams seeps or springs are known to exist in the area.

The proposed NBU 1022-24I gas well pad is approximately 36 road miles south of Ouray, Utah accessed by Uintah County roads to within approximately 67 feet of the site where a new road will be constructed to the location.

This location was originally staked for 1 well, the NBU 1022-24I. This well has not yet been drilled. Three additional wells have been added. The location is in the bottom of Archy Wash on a northeast side-slope of a high near vertical ridge, which begins near the southeast corner of the location. Several washes intersect the location and are planned to be diverted around the southwest end. The White River is approximately 1 mile down drainage.

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the location.

Floyd Bartlett
Onsite Evaluator

2/14/2007
Date / Time

Application for Permit to Drill

Statement of Basis

7/10/2008

Utah Division of Oil, Gas and Mining

Page 2

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name NBU 1022-24G3S
API Number 43-047-40142-0 **APD No** 817 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 NESE **Sec** 24 **Tw** 10S **Rng** 22E 2037 FSL 1184 FEL
GPS Coord (UTM) **Surface Owner**

Participants

Floyd Bartlett and David Hackford (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Kznick, and Clay Einerson (Kerr McGee), David Kay (Uintah Engineering and Land Surveying), and Ben Williams (UDWR)

Regional/Local Setting & Topography

The general area is Archy Wash located south of the White River in Uintah County, Utah. Vernal, Utah is approximately 37 miles to the northwest and Bonanza, Utah approximately 12 miles to the northeast. Archy Bench is approximately 1 mile to the west and West Fork of Saddle Tree Draw 1-2 miles to the east. The topography in the area is characterized by steep sidehills bordering winding narrow to moderately narrow draws. Many side-slopes are rimmed with sandstone bedrock forming vertical cliffs. Numerous small side draws lead away from the main divides. All drainages are ephemeral only flowing during winter snowmelt and following intense summer rainstorms. Roads are commonly constructed in the bottom of the washes and are subject to washing out following runoff events. Erosion from side-slopes is moderate. No streams seeps or springs are known to exist in the area.

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Surface Use Plan

Current Surface Use

Grazing
Recreational
Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.01	Width 278 Length 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Snow covered the vegetation on the area. Identifiable vegetation consisted of big sagebrush, greasewood, spiny hopsage and broom snakeweed. Vegetation is sparse.

Antelope, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required Y

Diversion is needed around southwest end of location.

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run?

Paleo Potential Observed?

Cultural Survey Run? Y

Cultural Resources?

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet) 100 to 200

5

Distance to Surface Water (feet) >1000

0

Dist. Nearest Municipal Well (ft) >5280

0

Distance to Other Wells (feet) <300

20

Native Soil Type Mod permeability

10

Fluid Type Fresh Water

5

Drill Cuttings Normal Rock

0

Annual Precipitation (inches) 10 to 20

5

Affected Populations <10

0

Presence Nearby Utility Conduits Not Present

0

Final Score

45

1

Sensitivity Level

Characteristics / Requirements

The proposed reserve pit is 70' x 150' x 10' deep located in a cut on the southeast corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.

Closed Loop Mud Required? N

Liner Required? Y

Liner Thickness 20

Pit Underlayment Required? Y

Other Observations / Comments

The area was covered with snow. ATV's were used to access the site.

Floyd Bartlett

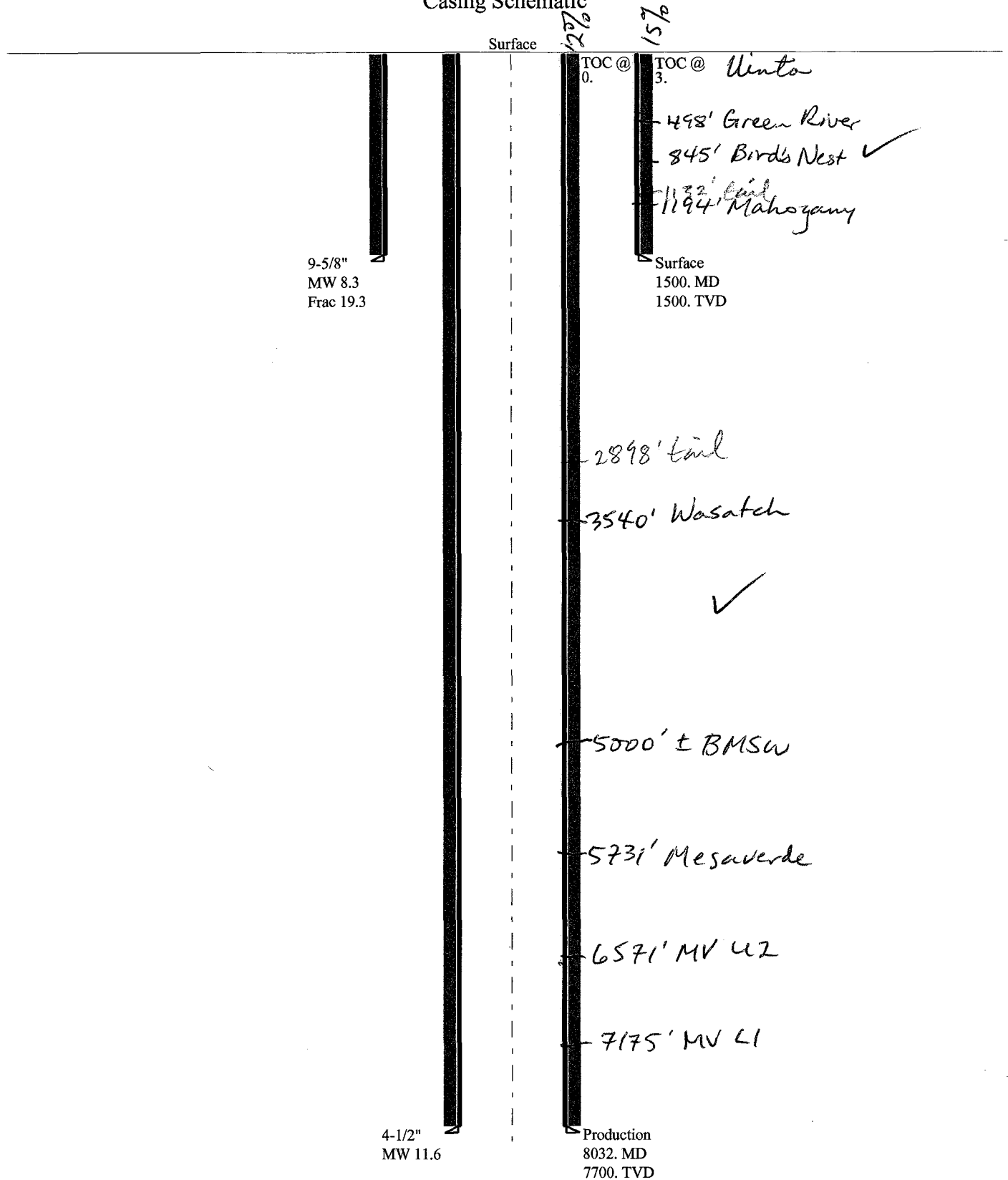
Evaluator

2/14/2007

Date / Time

2008-07 Kerr McGee NBU 1022-24G3S

Casing Schematic



Well name:

2008-07 Kerr McGee NBU 1022-24G3SOperator: **Kerr McGee Oil & Gas Onshore L.P.**String type: **Production**

Project ID:

43-047-40142Location: **Uintah County, Utah****Design parameters:****Collapse**

Mud weight: 11.600 ppg

Internal fluid density: 2.300 ppg

Minimum design factors:**Collapse:**

Design factor 1.125

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 183 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Burst:

Design factor 1.00

Cement top: Surface

Burst

Max anticipated surface pressure: 2,946 psi

Internal gradient: 0.220 psi/ft

Calculated BHP 4,640 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Directional Info - Build & Hold

Kick-off point 1560 ft

Departure at shoe: 1416 ft

Maximum dogleg: 3 °/100ft

Inclination at shoe: 0 °

Tension is based on buoyed weight.

Neutral point: 6,697 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8032	4.5	11.60	I-80	LT&C	7700	8032	3.875	700.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3720	6360	1.710	4640	7780	1.68	74	212	2.87 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: July 16, 2008
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 7700 ft, a mud weight of 11.6 ppg. An internal gradient of .119 psi/ft was used for collapse from TD. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	2008-07 Kerr McGee NBU 1022-24G3S	
Operator:	Kerr McGee Oil & Gas Onshore L.P.	
String type:	Surface	Project ID: 43-047-40142
Location:	Uintah County, Utah	

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 96 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 3 ft

Burst

Max anticipated surface pressure: 1,320 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,500 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,315 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,700 ft
Next mud weight: 11.600 ppg
Next setting BHP: 4,640 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,500 ft
Injection pressure: 1,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1500	9.625	36.00	J-55	LT&C	1500	1500	8.796	651
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	649	2020	3.112	1500	3520	2.35	47	453	9.57 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: July 16, 2008
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1500 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW

Kerr-McGee NBU 1022-24G3S API 43-047-40142

INPUT

Well Name

Casing Size (")

Setting Depth (TVD)

Previous Shoe Setting Depth (TVD)

Max Mud Weight (ppg)

BOPE Proposed (psi)

Casing Internal Yield (psi)

Operators Max Anticipated Pressure (psi)

Kerr-McGee NBU 1022-24G3S API 43-047-40142			
String 1	String 2		
9 5/8	4 1/2		
1500	7700		
20	1500		
8.4	11.6		
500	5000		
3520	7780		
4774	11.9 ppg		

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	655	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	475	YES ✓ Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	325	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	330	NO Reasonable - No expected pressure
Required Casing/BOPE Test Pressure		1500 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		20 psi	*Assumes 1psi/ft frac gradient

Calculations	String 2	4 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	4645	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	3721	YES ✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	2951	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	3281	NO Reasonable
Required Casing/BOPE Test Pressure		5000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		1500 psi	*Assumes 1psi/ft frac gradient

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

June 16, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2008 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Natural Buttes Unit, Uintah County, Utah.

API# WELL NAME
(Proposed PZ MesaVerde)

LOCATION

43-047-40136 NBU 921-20IT Sec 20 T09S R21E 1902 FSL 0822 FEL
43-047-40135 NBU 921-15MT Sec 15 T09S R21E 0697 FSL 0406 FWL
43-047-40134 NBU 922-31GT Sec 31 T09S R22E 1664 FNL 1349 FEL
43-047-40133 NBU 922-32CT Sec 32 T09S R22E 0809 FNL 2154 FWL

(Proposed PZ Wasatch/MesaVerde)

43-047-40129 NBU 1022-24B1AS Sec 24 T10S R22E 1052 FNL 1583 FEL
BHL Sec 24 T10S R22E 0150 FNL 1375 FEL

43-047-40130 NBU 1022-24B1DS Sec 24 T10S R22E 1026 FNL 1637 FEL
BHL Sec 24 T10S R22E 0540 FNL 1605 FEL

43-047-40131 NBU 1022-24G1S Sec 24 T10S R22E 1044 FNL 1601 FEL
BHL Sec 24 T10S R22E 1515 FNL 1580 FEL

43-047-40141 NBU 1022-24I1S Sec 24 T10S R22E 2062 FSL 1130 FEL
BHL Sec 24 T10S R22E 2330 FSL 0585 FEL

43-047-40142 NBU 1022-24G3S Sec 24 T10S R22E 2037 FSL 1184 FEL
BHL Sec 24 T10S R22E 2225 FNL 2140 FEL

43-047-40140 NBU 1022-24G2S Sec 24 T10S R22E 2053 FSL 1148 FEL
BHL Sec 24 T10S R22E 1815 FNL 2100 FEL

Our records indicate the 1022-24B1AS, 1022-24B1DS, 1022-24G1S and the 1022-24I1 bottom hole location is closer than 460 feet from the Natural Buttes Unit boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:6-16-08

From: Jim Davis
To: Bonner, Ed; Mason, Diana
Date: 1/28/2009 10:59 AM
Subject: APD approvals- A bunch of Kerr McGee

CC: Garrison, LaVonne; Raleen.White@anadarko.com
The following wells have been approved by SITLA including arch and paleo clearance.

Condition of approval: Spot-checking of pad construction/ extension for paleo resources:

NBU 1022-24B1AS	4304740129
NBU 1022-24B1DS	4304740130
NBU 1022-24G1S	4304740131
and	
NBU 1022-25J3S	4304750070
NBU 1022-25J1S	4304750069
NBU 1022-25O2S	4304750071

No COA's:

NBU 1022-24G2S	4304740140
NBU 1022-24G3S	4304740142
NBU 1022-24I1S	4304740141

FYI: These wells had been approved by SITLA previously. The APDs have been extended. Kerr McGee recently sent paleo reports to SITLA- there were no recommendations from the surveying paleontologist. Just in case anyone needs it, SITLA (still) approves of these APDs.

NBU 1022-25G	4304739142
NBU 1022-25G3S	4304740443
NBU 1022-25G4S	4304740442
NBU 1022-25G2S	4304740441

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 28, 2009

Kerr-McGee Oil & Gas Onshore, LP
P O Box 173779
Denver, CO 80217-3779

Re: NBU 1022-24G3S Well, 2037' FSL, 1184' FEL, NE SE, Sec. 24, T. 10 South,
R. 22 East, Bottom Location 2225' FNL, 2140' FEL, SW NE, Sec. 24, T. 10 South,
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40142.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal Office



Operator: Kerr-McGee Oil & Gas Onshore, LP
Well Name & Number NBU 1022-24G3S
API Number: 43-047-40142
Lease: ST ML 23610

Location: NE SE Sec. 24 T. 10 South R. 22 East
Bottom Location: SW NE Sec. 24 T. 10 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
7. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML 23610			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-24G3S			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2037 FSL 1184 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 24 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401420000			
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
COUNTY: UINTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/28/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____ </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.					
<div style="text-align: right;"> Approved by the Utah Division of Oil, Gas and Mining </div>		Date: January 25, 2010			
<div style="text-align: right;"> By: </div>					
NAME (PLEASE PRINT) Danielle Piernot		PHONE NUMBER 720 929-6156			
SIGNATURE N/A		TITLE Regulatory Analyst			
		DATE 1/25/2010			

RECEIVED January 25, 2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047401420000

API: 43047401420000

Well Name: NBU 1022-24G3S

Location: 2037 FSL 1184 FEL QTR NESE SEC 24 TWNP 100S RNG 220E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 1/28/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Danielle Piernot

Date: 1/25/2010

Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: January 25, 2010

By: 

RECEIVED January 25, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML 23610
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PHONE NUMBER: 720 929-6515 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/28/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02/03/2011

By:

NAME (PLEASE PRINT) Danielle Piernot	PHONE NUMBER 720 929-6156	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 1/28/2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047401420000

API: 43047401420000

Well Name: NBU 1022-24G3S

Location: 2037 FSL 1184 FEL QTR NESE SEC 24 TWNP 100S RNG 220E MER S

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Date Original Permit Issued: 1/28/2009

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- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
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- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Danielle Piernot

Date: 1/28/2011

Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

RECEIVED January 28, 2011



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 10, 2012

Kerr McGee Oil & Gas Onshore, L.P.
P.O. Box 173779
Denver, CO 80217

Re: APD Rescinded – NBU 1022-24G3S, Sec. 24, T. 10S, R. 22E
Uintah County, Utah API No. 43-047-40142


Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on January 28, 2009. On January 25, 2010 and February 3, 2011 the Division granted a one-year APD extension. On February 10, 2012, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective February 10, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

